

MEMORANDUM

DATE: JUNE 1, 2000
TO: DAVE HACKETT
FROM: MIKE CADWALADER
RE: CONGESTION MANAGEMENT WORKSHOP

During the congestion management workshop we will lead on June 6-7, we plan to discuss the following topics:

- I. Introduction
 - Why Congestion Management Matters
 - What an RTO Must Do
 - What an RTO Should Do (Bases for Comparing Congestion Management Proposals)
- II. Congestion
 - Methods of Managing Congestion
 - Methods of Pricing Congestion
- III. Transmission Rights
 - Rules for Defining What a Transmission Right Is, and How They Are Used to Support Transactions
 - Rules for Allocating Transmission Rights
- IV. Description of Congestion Management and Pricing Models
 - IndeGO
 - “Physical” Models (e.g., Desert STAR, Mountain West)
 - “Financial” Models (e.g., PJM, New York, New England)
 - California

- V. Evaluation of the Ability of Different Approaches to Satisfy the Objectives Set Forth in Session I
- VI. Other Issues to Consider When Choosing an Approach
 - Implementation Issues Associated with Each Approach
 - Coordination Required Among the Control Areas in the RTO

Of course, the order in which these topics are presented may change somewhat as we finalize the presentation.